Business, Transportation, and Housing

San Joaquin Valley Partnership

The Budget includes one-time funding of $5 million General Fund and 2.0 two-year limited-term positions to implement the San Joaquin Valley Strategic Action Proposal. Established by Governor's Executive Order (S-5-05) on June 24, 2005, the California Partnership for the San Joaquin Valley has been working with many local agencies and stakeholders to address the economic challenges in the eight counties that comprise the San Joaquin Valley region (Kern, Tulare, Kings, Fresno, Madera, Merced, Stanislaus, and San Joaquin Counties). The Governor's Executive Order requires preparation of a Strategic Action Proposal by October 2006 to improve the economic well-being and quality of life in the San Joaquin Valley.

Department of Transportation (CalTrans)

The Budget includes approximately $13.3 billion for transportation. Overall, state and federal transportation revenues have increased by $2.7 billion over revised 2005-06 figures.

The 2006-07 Proposition 42 transfer is fully funded at an estimated $1.4 billion. In addition, the Budget prepays $1.4 billion of outstanding Proposition 42 debt which is due to be repaid in 2007-08 and 2008-09 under current law. In total, these two funding sources will provide additional resources for the following programs: $1.04 billion for the State Transportation Improvement Program, $993 million for the Traffic Congestion Relief Program, $446 million for local streets and roads maintenance, and $356 million for transit projects.

Substantial increases in the sales tax on gasoline have increased subsidies to local transit operators by 202 percent, or $417 million, over the current year, to an all-time high of $624 million.

Other significant funding increases include the following:

Short-Term Congestion Relief Projects

The Budget includes $40.3 million and 9.0 positions to complete a number of projects intended to provide short-term congestion relief in selected locations on the state highway system. These projects will be completed in 18 months or less and include the development and implementation of corridor management on the I-210 corridor, the repair of loop detectors and detector communication stations, and an expansion of freeway service patrol routes.

Construction Management System

The Budget includes $950,000 and 3 positions to begin the replacement of Caltrans' antiquated construction management system. Total project costs are estimated to be $21.2 million and 9 limited-term positions over four years. The new system will improve Caltrans' project management capabilities by providing timely and complete project information and will minimize costs associated with the late payment of contractors.

High Speed Rail

The Budget provides $14.3 million to begin project implementation. Activities funded in 2006-07 include: completion of a financial plan, project management, identification of critical right of way acquisitions, development of a simulator for planning system operation and public information, and $9 million for the beginning of detailed project design and related environmental studies. This funding will enable the authority to move forward with key aspects of the project. However, bond funding for the project must still be authorized by voters in 2008, under the provisions of AB 713.

California Highway Patrol

Patrol Staffing Expansion

The Budget proposes to add 197 uniformed positions and 38 nonuniformed positions ($30.5 million Motor Vehicle Account) to address workload growth associated with population growth. By the end of the year, 240 officers, 32 supervising officers, and

38 support staff will be added. The full year cost of this request is $41.9 million. These positions (both uniformed and nonuniformed) are provided to support the CHP's mission while they face increasing workload associated with the recent and future substantial growth in population; increasing number of licensed drivers; increasing development of new communities; and the resulting increased traffic congestion and collisions.

This statewide staffing augmentation could increase proactive patrol hours by approximately 136,320 hours, which equates to approximately 17,000 work shifts. Proactive road patrol provides a significant deterrent to motorists who violate the law while driving and enhances state security through increased officer presence. Moreover, the increased staffing reduces response times to major collisions and persons needing assistance on state highways.

Replacement of the CHP Radio System

The Budget includes $56.4 million (Motor Vehicle Account) and 10 positions to begin the replacement of the existing CHP radio system. The project will take five years and will cost approximately $491 million. The CHP's current radio system is antiquated, was not designed for tactical operations, special events, emergency incidents, or expanded responsibilities, and is no longer supported by the manufacturer. Along with items purchased with funds from the U.S. Department of Homeland Security, the new system is envisioned to:

- Increase the range of communication so officers can communicate with one another as opposed to having the CHP communication centers be the intermediaries.

- Provide the ability to "piggyback" onto other state departments' (Justice, Forestry, Corrections, and Caltrans) frequencies.

- Enhance interoperability with many local public safety agencies.

- Increase the number of tactical channels to provide flexibility.

Wireless 9-1-1 Staffing

The Budget increases staffing in the CHP communication centers by 94 positions and $6.4 million to answer 9-1-1 calls more expeditiously. By the end of the year, 173 staff will be added. The full-year cost of this proposal is $10.5 million. Due to exponential growth in the number of wireless 9-1-1 calls, which comprise approximately 80 percent of the calls handled, CHP needs additional staff to answer calls within their ten-second goal.

Department of Motor Vehicles

Implementation of Real ID Act

The Budget includes $18.8 million (Motor Vehicle Account) and 36.4 positions to begin the planning, programming, and infrastructure development necessary to prepare to implement the federal Real ID Act. The Act sets minimum standards for the creation and issuance of driver license and identification cards that will be acceptable for official federal purposes, such as air travel and entering federal buildings. The Act has significant workload and cost implications for the Department of Motor Vehicles (DMV) because it requires 24 million licensed drivers and identification card holders in California to return to DMV offices to establish identity and obtain compliant cards when many of these individuals otherwise would have been able to conduct these transactions through the mail or internet. Provisions of the Act must be implemented by May 11, 2008; however, federal regulations concerning implementation of the Act are still under development.

These resources will enable the DMV to establish an organizational unit dedicated to Real ID comprised of 21 positions that would be responsible for overall project and policy development. The augmentation would also allow the DMV to implement a web-based infrastructure that would enable it to move over 2.2 million transactions annually out of the field offices when fully implemented to help make room for the additional field office visits from persons applying for Real IDs. The DMV's information technology systems also will need to be expanded to conform to Real ID requirements.

Information Technology Modernization

The Budget adds $2.1 million to begin the modernization of DMV's aging core information technology systems used to support its Driver License, Occupational License, and Vehicle Registration programs. This project, estimated at $242.2 million, is a multi-year incremental technology upgrade project that will modernize DMV's aging, custom-developed core systems with updated alternatives that are broadly supported by the information technology industry. The DMV's current systems have been managed well beyond their expected useful lives, have become increasingly complex and inflexible, and have been stretched to their limits in order to continue to respond to an increasing number of state and federal mandates. This project will incrementally upgrade DMV's core systems over a seven-year period by utilizing current programming languages to improve efficiency, reliability, flexibility, effectiveness, and productivity.